

May 11, 2015

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, MN 55101

**PUBLIC DOCUMENT – TRADE SECRET
DATA EXCISED**

**Re: In the Matter of the Petition of Minnesota Energy Resources Corporation
for Approval of a New Area Surcharge for the Detroit Lakes – Long Lake
Project**

Docket No. G-011/M-15-____

Dear Mr. Wolf:

Minnesota Energy Resources Corporation (“MERC”) submits this miscellaneous rate change and tariff filing to the Minnesota Public Utilities Commission (“Commission”) for approval to establish a New Area Surcharge for customers located in and near Detroit Lakes in northern Minnesota.

The nonpublic version of the New Area Surcharge filing contains trade secret information. Specifically, the cost of plant additions, estimated customer sign-ups, estimated customer usage, and project map contained in Exhibits B and C of the filing are not generally known to, and not readily ascertainable by, vendors and competitors of MERC, who could obtain economic value from their disclosure. MERC maintains this information as trade secret. Accordingly, the nonpublic version of the New Area Surcharge filing contains data which qualifies as “Trade Secret Data” pursuant to Minnesota Statutes Section 13.37, Subdivision 1(b).

A copy of this miscellaneous tariff filing has been served on the Office of Attorney General – Antitrust and Utilities Division. A summary of the filing has been served on all parties on MERC’s general service list.

Please contact me at 612-340-2881 if you have any questions regarding this matter.

Sincerely yours,

/s/ Michael J. Ahern

Michael J. Ahern

Enclosures

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BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger
John Tuma
Nancy Lange
Dan Lipschultz
Betsy Wergin

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of the Petition of Minnesota
Energy Resources Corporation for Approval of
a New Area Surcharge for the Detroit Lakes –
Long Lake Project

Docket No. G-011/M-15-_____

FILING OF PETITION FOR APPROVAL TO ESTABLISH A NEW AREA SURCHARGE

Pursuant to Minnesota Rules Part 7829.1300, Minnesota Energy Resources Corporation (“MERC”) submits this miscellaneous rate change and tariff filing to the Minnesota Public Utilities Commission (“Commission”) for approval to establish a New Area Surcharge for customers located in and near Detroit Lakes in northern Minnesota.

This filing includes the following:

- One paragraph summary of the filing in accordance with Minn. R. 7829.1300, subp. 1.
- Petition for Approval to Establish a New Area Surcharge for the Detroit Lakes – Long Lake Project.
- Exhibit A Clean and redlined proposed Tariff Sheet No. 9.17;
- Exhibit B Map of the Detroit Lakes – Long Lake Project Area;
- Exhibit C Proposed Surcharge Workpapers and Assumptions;
- Exhibit D Proposed Customer Notice.

I. Summary of Filing

Pursuant to Minn. R. 7829.1300, subp. 1, a one-paragraph summary of the filing is attached.

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II. Service

Pursuant to Minn. R. 7829.1300, subp. 2, MERC has served a copy of this petition on the Office of the Attorney General – Antitrust and Utilities Division. The summary of the filing has been served on all parties on the attached service list.

III. General Filing Information

Pursuant to Minn. R. 7829.1300, subp.3, the following information is provided:

A. Name, Address, and Telephone Number of the Utility

Minnesota Energy Resources Corporation
2665 145th Street West
Rosemount, MN 55068
(651) 322-8901

B. Name, Address, and Telephone Number of Attorney for the Utility

Michael J. Ahern
Dorsey & Whitney LLP
50 S. Sixth Street, Suite 1500
Minneapolis, MN 55402-1498
(612) 340-2881

C. Date of the Filing and Date Proposed Agreement Will Take Effect

Date of Filing: May 11, 2015

Proposed Effective Date: Upon Commission Approval

MERC respectfully requests that the Commission rule on this filing within sixty (60) days of filing so that construction of a service extension for the Detroit Lakes – Long Lake Project may begin promptly. We estimate construction of the main can be completed in approximately two months, but require an additional 30-45 days to install the service lines. The intent is to have gas service available to the customers in the Detroit Lakes – Long Lake Project by November 1, 2015. However, in order to maintain the projected construction costs, MERC respectfully requests approval by July 10, 2015, so construction can begin no later than July 20, 2015.

D. Statute Controlling Schedule for Processing the Filing

Under Minn. R. 7829.0100, subp. 11, this petition is a “miscellaneous” filing because no determination of MERC’s general revenue requirement is necessary. Comments on a miscellaneous filing are due within 30 days of filing, with replies due 10 days thereafter. Minn. R. 7829.1400, subp. 1, 4.

E. Signature and Title of Utility Employee Responsible for the Filing



Seth DeMerritt
700 North Adams Street
Green Bay, WI 54301
(920) 433-2926

IV. Miscellaneous Information

Pursuant to Minnesota Rule 7829.0700, MERC requests that the following persons be placed on the Commission’s official service list for this matter:

Seth DeMerritt
Rate Case Consultant
Integrays Business Support
700 North Adams Street
Green Bay, WI 54301
(920) 433-2926
SSDemerritt@integraysgroup.com

If additional information is required, please contact Michael J. Ahern at (612) 340-2881.

DATED: May 11, 2015

Respectfully Submitted,

DORSEY & WHITNEY LLP

By /s/ Michael J. Ahern

Michael J. Ahern
Suite 1500, 50 South Sixth Street
Minneapolis, MN 55402-1498
Telephone: (612) 340-2600

Attorney for Minnesota Energy
Resources Corporation

PUBLIC DOCUMENT – TRADE SECRET DATA HAS BEEN EXCISED

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger
John Tuma
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In the Matter of the Petition of Minnesota
Energy Resources Corporation for Approval of
a New Area Surcharge for the Detroit Lakes –
Long Lake Project

Docket No. G-011/M-15-_____

SUMMARY OF FILING

Pursuant to Minnesota Rules Part 7829.1300, Minnesota Energy Resources Corporation (“MERC”) submits to the Minnesota Public Utilities Commission (“Commission”) this Petition for approval to establish a New Area Surcharge for customers located in and near Detroit Lakes in northern Minnesota.

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BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger
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In the Matter of the Petition of Minnesota
Energy Resources Corporation for Approval of
a New Area Surcharge for the Detroit Lakes –
Long Lake Project

Docket No. G-011/M-15-_____

**PETITION FOR APPROVAL TO ESTABLISH A NEW AREA SURCHARGE FOR THE
DETROIT LAKES – LONG LAKE PROJECT**

I. INTRODUCTION

Minnesota Energy Resources Corporation (“MERC” or the “Company”) submits for Commission approval a miscellaneous rate change filing to add a New Area Surcharge for customers located near Detroit Lakes. The corresponding clean and redline tariff sheet revisions are included as Exhibit A and a map of the area to be served is included as Exhibit B.

MERC submits this Petition in order to establish a New Area Surcharge for customers located in and near Detroit Lakes in northern Minnesota. The proposed surcharges for the Detroit Lakes – Long Lake Project were calculated according to the model described in MERC’s New Area Surcharge Rider approved by the Commission, with a 15-year term.

**II. PROPOSED NEW AREA SURCHARGE FOR THE DETROIT LAKES – LONG LAKE
PROJECT**

In Docket No G-007, 011/M-11-1045 the Commission approved MERC’s New Area Surcharge analytical methodology and required the Company to submit a miscellaneous rate change and receive Commission approval prior to implementing any such surcharges. This filing for the Detroit Lakes – Long Lake Project is MERC’s second filing under the New Area Surcharge methodology approved by the Commission. The New Area Surcharge enables natural gas service to be extended to an area that would generate insufficient revenues under the Company’s present rates and service extension policy. This is accomplished by setting a surcharge at a level that will bring the Net Present Value of the project to approximately \$0 over the life of the project.

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The following class surcharges are proposed for the Detroit Lakes – Long Lake Project. MERC anticipates that the Residential and Small Commercial customer classes will take service. While no customers in the large commercial, interruptible, or transport services are currently planned in the development of the model, there is a potential for additional customers in these classes, and therefore, a surcharge is proposed to comply with the Commission’s requirements and to prevent a duplicate filing in the event customers request these services in the future.

Detroit Lakes – Long Lake Project New Area Surcharges	
Residential	\$28.40
Small Commercial & Industrial	\$53.81
Large Commercial & Industrial	\$53.81
Small Volume Interruptible	\$53.81
Large Volume Interruptible	\$53.81
Small Volume Joint	\$53.81
Large Volume Joint	\$53.81
Small Volume Transport	\$53.81
Large Volume Transport	\$53.81

MERC’s calculation of the proposed surcharge is reasonably designed to recover the portion of the cost of service attributable to uneconomic service extensions. The New Area Surcharge rates are set at a reasonable level that will ensure, to the extent possible, that the Detroit Lakes – Long Lake project is load and cost justified and that existing customers will not subsidize new area customers over the life of the project.

MERC proposes that the surcharges be in effect for a period not to exceed fifteen (15) years. We anticipate that the gas service to the Detroit Lakes – Long Lake area will commence on approximately November 1, 2015, so the surcharge is proposed to expire on November 1, 2030. MERC will terminate the surcharge when the projected revenue deficiency is satisfied or at the end of fifteen (15) years, whichever occurs first.

The proposed New Area Surcharge is in the public interest. Because natural gas costs less than alternative fuels, customers will benefit from the additional fuel choice. Lower energy bills free money for investment and purchases in the area, spurring economic development. While gas service is being extended to customers in the Detroit Lakes- Long Lake area, MERC’s existing customers will not be subsidizing this project given that the project is both load and cost justified over the life of the project, and no demand entitlement changes are required

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because the demand needs of the Detroit Lakes – Long Lake project customers will be served off existing supply contracts.

The proposed tariff change will not affect the current level of MERC revenues. New Area Surcharge billings are not considered Operating Revenues. New Area Surcharge billings to customers will be recorded as balance sheet credits to an account receivable when the surcharge is approved. The portion of the New Area Surcharge billing related to interest will be credited to a non-operating income account.

In its Order Approving New Area Surcharge, the Commission required MERC to submit a miscellaneous rate change request prior to implementing a New Area Surcharge. The Commission required that any such request include the information contained in the following exhibits:

- Exhibit A An updated surcharge tariff sheet and its related spreadsheets with and without the proposed surcharge for each new surcharge area;
- Exhibit B Map of the Detroit Lakes – Long Lake Project Area (not required by Commission order, but provided as a nonpublic exhibit)
- Exhibit C Workpapers showing all underlying assumptions concerning interest rates, costs, depreciation, demographics, rate structure, etc.;
- Exhibit D The Company’s proposed customer notice; and

In addition to the information contained in the above exhibits, the Commission required that a request include two items not included as exhibits, but with descriptions below:

- A surcharge rate for each customer class, even if no customers are anticipated for the class: this information is provided in the body of the petition and in the proposed tariff changes.
- All pertinent contract demand entitlement change requests as soon as the required information is ascertained: MERC anticipates no demand entitlement changes.

III. CONCLUSION

MERC respectfully requests approval to add a New Area Surcharge for customers located in the Detroit Lakes – Long Lake Project Area.

If additional information is required, please contact Michael J. Ahern at (612) 340-2881.

PUBLIC DOCUMENT – TRADE SECRET DATA HAS BEEN EXCISED

DATED: May 11, 2015

Respectfully Submitted,

DORSEY & WHITNEY LLP

By /s/ Michael J. Ahern

Michael J. Ahern

Suite 1500, 50 South Sixth Street

Minneapolis, MN 55402-1498

Telephone: (612) 340-2600

Attorney for Minnesota Energy

Resources Corporation

Exhibit A

Clean and Redline Tariff Sheet No. 9.17

Clean Tariff Sheet

EXTENSION OF NATURAL GAS SERVICE

3. NEW AREA SURCHARGE RIDER (Continued)

15) Revenue Excess or (Deficiency): Revenue excess or deficiency is the difference between the Total Revenue Requirement (Column 13) and the amount of Retail Revenue (Column 14). Excess occurs when the Total Revenue Requirement in a given year is less than the total Retail Revenue generated. Deficiency occurs when the Total Revenue Requirement in a given year is more than the total Retail Revenue generated.

16) Present Value of Cash Flows: The cash flows that produce either revenue excesses or deficiencies (Column 15) are discounted to a present value using a discount rate equal to the overall rate of return established in the most recent general rate proceeding.

If the sum of the present value calculations over the life of the project is zero, or as close to zero as possible, the model demonstrates that the project is "self supporting." That is, the customer CIAC surcharge is the proper amount of customer contributed capital necessary to support the project at the projected (or actual) level of retail revenues.

Surcharge Rider Rates:

A surcharge as designated will be included in the monthly bills of the following Minnesota geographical areas:

Ely Lake Project

Residential	\$33.50
Existing Small Commercial	\$33.50

Detroit Lakes – Long Lake Project

Residential	\$28.40
Small Commercial & Industrial	\$53.81
Large Commercial & Industrial	\$53.81
Small Volume Interruptible	\$53.81
Large Volume Interruptible	\$53.81
Small Volume Joint	\$53.81
Large Volume Joint	\$53.81
Small Volume Transport	\$53.81
Large Volume Transport	\$53.81

Issued By: DM Derricks
Asst. Vice President, Regulatory Services

Submittal Date: May 11, 2015

*Effective with bills issued on and after this date.

*Effective Date: Upon Commission Approval
Proposed Effective Date: Upon Commission Approval

Redline Tariff Sheet

EXTENSION OF NATURAL GAS SERVICE

3. NEW AREA SURCHARGE RIDER (Continued)

15) Revenue Excess or (Deficiency): Revenue excess or deficiency is the difference between the Total Revenue Requirement (Column 13) and the amount of Retail Revenue (Column 14). Excess occurs when the Total Revenue Requirement in a given year is less than the total Retail Revenue generated. Deficiency occurs when the Total Revenue Requirement in a given year is more than the total Retail Revenue generated.

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<u>Detroit Lakes – Long Lake Project</u>	
<u>Residential</u>	<u>\$28.40</u>
<u>Small Commercial & Industrial</u>	<u>\$53.81</u>
<u>Large Commercial & Industrial</u>	<u>\$53.81</u>
<u>Small Volume Interruptible</u>	<u>\$53.81</u>
<u>Large Volume Interruptible</u>	<u>\$53.81</u>
<u>Small Volume Joint</u>	<u>\$53.81</u>
<u>Large Volume Joint</u>	<u>\$53.81</u>
<u>Small Volume Transport</u>	<u>\$53.81</u>
<u>Large Volume Transport</u>	<u>\$53.81</u>

Issued By: DM Derricks

*Effective Date: ~~April 1, 2015~~ Upon Commission Approval

Asst. Vice President, Regulatory Services Proposed Effective Date: ~~April 1, 2015~~ Upon Commission Approval

Submittal Date: ~~February 13, 2015~~ May 11, 2015

*Effective with bills issued on and after this date.

Exhibit B

Map of the Detroit Lakes Project Area

Exhibit C

Proposed Surcharge Workpapers and Assumptions

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Minnesota Energy Resources New Area Surcharge Analysis
Detroit Lakes Long Lake Expansion

Time Period (1)	Year (2)	Net Plant				ADIT		Traditional Revenue Requirements					Retail Revenue (14)	Revenue Excess (Deficy.) (15)	PV of Cash Flows (16)
		Gross Plant Investment (3)	Accumulated Depreciation Reserve (4)	Net Plant In Service (5)	Average Net Plant (6)	Average ADIT (7)	Average Rate Base (8)	Allowed Return (9)	Book Deprec. (10)	O&M Expense (11)	Property Tax (12)	Total Rev. Requir. (13)			
0	2015														
1	2016														
2	2017														
3	2018														
4	2019														
5	2020														
6	2021														
7	2022														
8	2023														
9	2024														
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11	2026														
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46	2061														
47	2062														
48	2063														

Reference

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Calculation

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Page E-2

Page E-9 x
Rate per
Customer

Page E-2

Calculation

Page E-9

Calculation

Calculation

...Trade Secret Data Ends]

MERC New Area Surcharge Analysis
 Detroit Lakes Long Lake Expansion
 Page E-2

Total Gross Plant Investment (Trade Secret Data Begins... Deprec. Tax
 Total CIAC Deprec. Book
 Total Net Investment
 Book Depreciaton Rate
 Tax Rate

		Net Plant				ADIT - Property					ADIT - Surcharge Revenues					Total ADIT		
		Gross Plant	Depreciation	Accum. Res.	Net Plant	Avg Net Plant	Tax Rates	Tax Deprec.	Cum Tax Deprec.	Book-Tax Deprec.	Acc. Def. Tax	Avg. ADIT	Annual Surcharge Revenue	CIAC	Tax	Cum Tax	Avg ADIT	Property Taxes
0	2015																	
1	2016																	
2	2017																	
3	2018																	
4	2019																	
5	2020																	
6	2021																	
7	2022																	
8	2023																	
9	2024																	
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47	2062																	
48	2063																	

Total Surcharge Revenue
 <==CIAC

...Trade Secret Data Ends]

MERC New Area Surcharge Analysis
 Detroit Lakes Long Lake Expansion
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[Trade Secret Data Begins...

Yr. 1 Gross Plant Investment [REDACTED]
 CIAC [REDACTED]
 Depreciable Book Basis [REDACTED]
 Book Depreciation Rate [REDACTED]
 Depreciable Tax Basis [REDACTED]
 Tax Rate [REDACTED]
 Property Tax Rate [REDACTED] / Gross Plant

First Year of Analysis 2015

Year	Net Plant				ADIT - Property			
	Gross Plant	Depreciation	Acum. Res.	Net Plant	Avg Net Plant	Tax Rates	Tax Deprec.	Cum. Tax Deprec.
0	2015	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
1	2016	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2	2017	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
3	2018	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
4	2019	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
5	2020	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
6	2021	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
7	2022	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
8	2023	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
9	2024	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
10	2025	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
11	2026	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
12	2027	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
13	2028	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
14	2029	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
15	2030	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
16	2031	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
17	2032	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
18	2033	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
19	2034	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
20	2035	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
21	2036	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
22	2037	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
23	2038	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
24	2039	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
25	2040	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
26	2041	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
27	2042	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
28	2043	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
29	2044	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
30	2045	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
31	2046	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
32	2047	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
33	2048	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
34	2049	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
35	2050	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
36	2051	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
37	2052	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
38	2053	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
39	2054	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
40	2055	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
41	2056	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
42	2057	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
43	2058	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
44	2059	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
45	2060	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
46	2061	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
47	2062	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
48	2063	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

...Trade Secret Data Ends]

MERC New Area Surcharge Analysis
 Detroit Lakes Long Lake Expansion
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[Trade Secret Data Begins...

Yr 2 Gross Plant Investment [Redacted] Deprec Tax
 Yr 2 Surcharge [Redacted]
 Yr 2 Net Investment [Redacted] Deprec. Book

Book Depreciation Rate [Redacted]

Tax Rate [Redacted]

Year	Net Plant				ADIT - Prop			
	Gross Plant	Depreciation	Accum. Res.	Net Plant	Avg Net Plant	Tax Rates	Tax Deprec.	Cum Tax Deprec.
0	2015	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
1	2016	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
2	2017	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
3	2018	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
4	2019	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
5	2020	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
6	2021	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
7	2022	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
8	2023	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
9	2024	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
10	2025	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
11	2026	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
12	2027	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
13	2028	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
14	2029	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
15	2030	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
16	2031	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
17	2032	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
18	2033	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
19	2034	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
20	2035	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
21	2036	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
22	2037	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
23	2038	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
24	2039	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
25	2040	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
26	2041	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
27	2042	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
28	2043	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
29	2044	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
30	2045	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
31	2046	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
32	2047	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
33	2048	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
34	2049	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
35	2050	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
36	2051	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
37	2052	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
38	2053	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
39	2054	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
40	2055	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
41	2056	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
42	2057	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
43	2058	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
44	2059	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
45	2060	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
46	2061	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
47	2062	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
48	2063	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]

...Trade Secret Data Ends]

MERC New Area Surcharge Analysis
 Detroit Lakes Long Lake Expansion
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[Trade Secret Data Begins...]

Yr. 3 Gross Plant Investment [Redacted] Deprec Tax
 Yr 3 Surcharge [Redacted]
 Yr 3 Net Investment [Redacted] Deprec. Book

Book Depreciation Rate [Redacted]

Tax Rate [Redacted]

Year	Net Plant				ADIT - Prop			
	Gross Plant	Depreciation	Accum. Res.	Net Plant	Avg Net Plant	Tax Rates	Tax Deprec.	Cum Tax Deprec.
0	2015	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
1	2016	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
2	2017	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
3	2018	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
4	2019	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
5	2020	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
6	2021	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
7	2022	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
8	2023	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
9	2024	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
10	2025	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
11	2026	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
12	2027	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
13	2028	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
14	2029	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
15	2030	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
16	2031	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
17	2032	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
18	2033	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
19	2034	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
20	2035	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
21	2036	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
22	2037	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
23	2038	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
24	2039	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
25	2040	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
26	2041	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
27	2042	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
28	2043	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
29	2044	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
30	2045	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
31	2046	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
32	2047	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
33	2048	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
34	2049	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
35	2050	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
36	2051	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
37	2052	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
38	2053	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
39	2054	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
40	2055	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
41	2056	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
42	2057	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
43	2058	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
44	2059	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
45	2060	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
46	2061	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
47	2062	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
48	2063	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]

...Trade Secret Data Ends]

MERC New Area Surcharge Analysis
 Detroit Lakes Long Lake Expansion
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Yr. 4 Gross Plant Investment [Trade Secret Data Begins...]
 Yr 4 Surcharge [Redacted] Deprec. Tax
 Yr 4 Net Investment [Redacted] Deprec. Book
 Book Depreciation Rate [Redacted]
 Tax Rate [Redacted]

Year	Net Plant				ADIT - Prop			
	Gross Plant	Depreciation	Accum. Res.	Net Plant	Avg Net Plant	Tax Rates	Tax Deprec.	Cum Tax Deprec.
0	2015	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
1	2016	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
2	2017	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
3	2018	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
4	2019	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
5	2020	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
6	2021	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
7	2022	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
8	2023	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
9	2024	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
10	2025	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
11	2026	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
12	2027	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
13	2028	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
14	2029	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
15	2030	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
16	2031	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
17	2032	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
18	2033	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
19	2034	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
20	2035	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
21	2036	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
22	2037	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
23	2038	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
24	2039	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
25	2040	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
26	2041	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
27	2042	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
28	2043	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
29	2044	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
30	2045	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
31	2046	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
32	2047	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
33	2048	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
34	2049	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
35	2050	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
36	2051	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
37	2052	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
38	2053	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
39	2054	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
40	2055	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
41	2056	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
42	2057	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
43	2058	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
44	2059	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
45	2060	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
46	2061	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
47	2062	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
48	2063	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]

...Trade Secret Data Ends]

MERC New Area Surcharge Analysis
 Detroit Lakes Long Lake Expansion
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[Trade Secret Data Begins...]

Yr. 5 Gross Plant Investment [REDACTED]
 Yr 5 Surcharge [REDACTED]
 Yr 5 Net Investment [REDACTED] Deprec. Book
 Book Depreciation Rate [REDACTED]
 Tax Rate [REDACTED]

Year	Net Plant				ADIT - Prop			
	Gross Plant	Depreciation	Accum. Res.	Net Plant	Avg Net Plant	Tax Rates	Tax Deprec.	Cum Tax Deprec.
0	2015	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
1	2016	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2	2017	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
3	2018	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
4	2019	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
5	2020	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
6	2021	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
7	2022	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
8	2023	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
9	2024	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
10	2025	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
11	2026	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
12	2027	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
13	2028	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
14	2029	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
15	2030	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
16	2031	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
17	2032	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
18	2033	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
19	2034	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
20	2035	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
21	2036	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
22	2037	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
23	2038	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
24	2039	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
25	2040	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
26	2041	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
27	2042	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
28	2043	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
29	2044	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
30	2045	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
31	2046	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
32	2047	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
33	2048	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
34	2049	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
35	2050	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
36	2051	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
37	2052	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
38	2053	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
39	2054	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
40	2055	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
41	2056	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
42	2057	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
43	2058	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
44	2059	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
45	2060	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
46	2061	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
47	2062	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
48	2063	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

...Trade Secret Data Ends]

MERC New Area Surcharge Analysis
 Detroit Lakes Long Lake Expansion
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[Trade Secret Data Begins...

Yr 6-15 Gross Plant Investment [Redacted] Deprec. Tax
 Yr 6-15 Surcharge [Redacted]
 Yr 6-15 Net Investment [Redacted] Deprec. Book

Book Depreciation Rate [Redacted]

Tax Rate [Redacted]

Year	Net Plant				ADIT - Prop			
	Gross Plant	Depreciation	Accum. Res.	Net Plant	Avg Net Plant	Tax Rates	Tax Deprec.	Cum Tax Deprec.
0	2015	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
1	2016	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
2	2017	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
3	2018	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
4	2019	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
5	2020	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
6	2021	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
7	2022	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
8	2023	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
9	2024	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
10	2025	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
11	2026	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
12	2027	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
13	2028	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
14	2029	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
15	2030	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
16	2031	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
17	2032	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
18	2033	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
19	2034	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
20	2035	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
21	2036	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
22	2037	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
23	2038	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
24	2039	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
25	2040	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
26	2041	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
27	2042	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
28	2043	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
29	2044	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
30	2045	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
31	2046	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
32	2047	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
33	2048	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
34	2049	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
35	2050	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
36	2051	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
37	2052	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
38	2053	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
39	2054	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
40	2055	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
41	2056	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
42	2057	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
43	2058	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
44	2059	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
45	2060	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
46	2061	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
47	2062	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
48	2063	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]

...Trade Secret Data Ends]

MERC New Area Surcharge Analysis
Detroit Lakes Long Lake Expansion
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[Trade Secret Data Begins...

Income Tax Rate
MPUC Factor

[REDACTED]

Capital Structure:

	Ratios	Cost	Weighted Cost	Tax Factor	Overall Factor
Long Term Debt STD	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Common Equity Total	<u>100.00%</u>	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Income Tax Rate

[REDACTED]

ROR
Actual Disc Rate

[REDACTED]

Disc Rate per MPUC

[REDACTED]

...Trade Secret Data Ends]

MERC New Area Surcharge Analysis
Detroit Lakes Long Lake Expansion

Discount Rate [Trade Secret Data Begins...
[REDACTED]

	Surcharge	PV	Interest
1	[REDACTED]	[REDACTED]	[REDACTED]
2	[REDACTED]	[REDACTED]	[REDACTED]
3	[REDACTED]	[REDACTED]	[REDACTED]
4	[REDACTED]	[REDACTED]	[REDACTED]
5	[REDACTED]	[REDACTED]	[REDACTED]
6	[REDACTED]	[REDACTED]	[REDACTED]
7	[REDACTED]	[REDACTED]	[REDACTED]
8	[REDACTED]	[REDACTED]	[REDACTED]
9	[REDACTED]	[REDACTED]	[REDACTED]
10	[REDACTED]	[REDACTED]	[REDACTED]
11	[REDACTED]	[REDACTED]	[REDACTED]
12	[REDACTED]	[REDACTED]	[REDACTED]
13	[REDACTED]	[REDACTED]	[REDACTED]
14	[REDACTED]	[REDACTED]	[REDACTED]
15	[REDACTED]	[REDACTED]	[REDACTED]
16	[REDACTED]	[REDACTED]	[REDACTED]
17	[REDACTED]	[REDACTED]	[REDACTED]
18	[REDACTED]	[REDACTED]	[REDACTED]
19	[REDACTED]	[REDACTED]	[REDACTED]
20	[REDACTED]	[REDACTED]	[REDACTED]

...Trade Secret Data Ends]

Detroit Lakes Long Lake Expansion

[Trade Secret Data Begins...

Assumptions

Construction Costs

CIAC

Costs for Service Line

Customer's Sign-Up

Year 1 - 2014

Year 2 - 2015

Year 3 - 2016

Year 4 - 2017

Year 5 - 2019

Year 6 - 15 - 2020 through 2029

Total Customer Connects

(total possible)

Percentage of Total Connects Available

Total Project

...Trade Secret Data Ends]

Exhibit D

Proposed Customer Notice

IMPORTANT INFORMATION

About your natural gas rates

NEW NATURAL GAS RATES BEGIN WITH THIS BILL

For Customers Served in the Detroit Lakes – Long Lake Project Area

An Explanation of Your Natural Gas Rates

On DATE, the Minnesota Public Utilities Commission (MPUC) approved a New Area Surcharge for Minnesota Energy Resources Corporation (MERC) customers served in the Detroit Lakes – Long Lake Project Area.

MERC is required to recover the cost of extending new gas service from the new customers who will be served by it. A New Area Surcharge of \$28.40 per month for residential customers and \$53.81 for all other customer classes has been approved by the Commission. This is the surcharge amount needed to recover the cost of the extension within 15 years. The surcharge will appear as a line item on your monthly bill. The surcharge will be in effect until the cost to bring natural gas service to your area has been recovered or a maximum of 15 years, whichever occurs first. You will be notified of any change to the New Area Surcharge, including termination of the New Area Surcharge.

We thank you for your interest in becoming our customer and utilizing natural gas. We look forward to providing you safe and reliable natural gas service. If you have questions, comments or would like more information, you are invited to contact customer service at 1-800-889-9508.

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Michael	Ahern	ahern.michael@dorsey.com	Dorsey & Whitney, LLP	50 S 6th St Ste 1500 Minneapolis, MN 554021498	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Michael	Bradley	mike.bradley@lawmoss.com	Moss & Barnett	150 S. 5th Street, #1200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Daryll	Fuentes	dfuentes@usg.com	USG Corporation	550 W Adams St Chicago, IL 60661	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Amber	Lee	ASLee@minnesotaenergyresources.com	Minnesota Energy Resources Corporation	2665 145th Street West Rosemount, MN 55068	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Brian	Meloy	brian.meloy@stinsonleonard.com	Stinson, Leonard, Street LLP	150 S 5th St Ste 2300 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Andrew	Moratzka	apmoratzka@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List